the Junior Administrative Grade in the Indian Economic Service (IES) in April-May, 1994;

(b) whether all the officers so promoted to Jr. Administrative Grade had minimum required service of five years in Grade III of Indian Economic Service, as required under the recruitment rules;

(c) if not, whether relaxation in recruitment rules was obtained from Department of Personnel as well as UPSC specifically for these cases;

(d) if not, why was such deviation made and who is/are responsible for it; and

(e) whether the necessary action will be taken against the officers responsible for deviating from the rules, misguiding the Departmental Promotion Committee and fradulently obtaining the approval of Finance Ministry for promotions in question?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir,

(b) No, Sir.

(c) The relaxation of the eligibility conditions of minimum five years service in Grade III of Indian Economic Service (IES) for promotion to Junior Administrative Grade (JAG) of IES was approved by the Department of Personnel. As UPSC is not associated with promotions to JAG level in IES, their approval was not considered necessary.

(d) and (e) Does not arise.

Ban on Proxy Voting in Election to Stock Exchange

2749. SHRI S. JAIPAL REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal to ban "proxy" voting in election to Stock Exchanges;

(b) whether Government have recieved a Memorandum submitted by M/s Goyal and Company containing allegations of irregularities by Jaipur Stock Exchange;

(c) if so, what are the allegations and the steps taken thereon; and

(d) whether the approval has been accorded to Jaipur Stock Exchange to increase its Membership strength from 500 to 600?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Although there is no such proposal at present before the Government, while recently renewing the recognition of the Saurashtra Kutch Stock Exchange Ltd., Rajkot, the Government had on the advice of SEBI, imposed a condition that the provision regarding proxy system for voting at the meeting of the Exchange shall be deleted from the Articles of Association of the Exchange.

(b) and (c) Yes, Sir. The main allegations contained in the memorandum relate to irregularities in the election of Governing Board favouritism in appointments, incurring of expenditure without proper tendering and approval, and clubbing of settlements to prevent defaults of Directors and favoured members. On receipt of the memorandum, Government asked SEBI to sent a status report in the matter along with action taken by them. SEBI has conducted an inspection of the Stock Exchange between 13th and 16th June, 1994.

(d) SEBI had permitted Jaipur Stock Exchange to increase its membership from 500 members to 600 members.

Promotion Policy of Punjab and Sind Bank

2750. SHRI RAM NATH KOVIND: Will the Minister of FINANCE be pleased to state:

(a) what is the present strength of Middle Management Grade Scale II officers, as on 31st March, 1994 belonging to general category and SC/ST

category respectively in Punjab and Sind Bank;

(b) whether the said Bank promoted some officers in MMG II under its normal channel promotion policy;

(c) if so, how many officers have been promoted;

(d) how many SC/ST officers were eligible for promotion to MMG Scale II as per normal channel promotion policy;

(e) whether reservation has been provided to SC/ST officers in normal channel; and

(f) if so, how many SC/ST officers have been promoted in normal channel, if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (d) Punjab and Sind Bank has reported that the strength of its officers in Middle Management Grade Scale-II, as on 31st March, 1994, was 1161 comprising of 1159 officers of general category and 2 belonging to the SC category. During the year, 1994 (upto 9.8.1994) the bank promoted under its normal promotion policy 87 officers from JMGS-I to MMGS-II which included 1 SC officer. However as a one time measure, it effected 67 further promotions from JMGS-I to MMGS-II on seniority-cum-fitness basis to benefit officers who have in JMGS-I prior to 31.12.1976. In these 67 promotions reservations as per rules have been provided and 10 SC and 5 ST officers were promoted.

(e) and (f) According to the bank, generally, inter-scale promotions in its officers' cadre are effected by selection method and as such in terms of the provisions contained in the Brochure on Reservations for SCs/STs in Services (7th Edition) reservations for SCs/STs do not apply to these promotions. However concessions contained in para 9.2(a) of the Brochure, ibid, are applicable to such promotions upto MMGS-III. Accordingly, 1 SC officer of the bank was promoted to MMGS-II during the year in terms of the normal promotion policy of the bank based on selection method.

Non Implementation of the Recommendations regarding Tax on Consignments

2751. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) the details of the unanimous recommendations made in May, 1984 at a Conference of Chief Minister, presided over by the then Union Finance Minister, approving the proposal to introduce a tax on consignment;

(b) the reasons for not implementing these unanimous recommendations;

(c) the aggregate loss of revenue over the last decade because of the non-implementation of the recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) The Conference of Chief Ministers held in May, 1984, recommended that the consignment tax should be levied at the same rate as Central Sales Tax, the machinery for assessment could be the same as the one existing in respect of Central Sales Tax, valuation of consignment transfers should be on the pattern adopted in respect of levy of Central Excise Duty, the power of exemption will be exercised both by the Centre and the States and 50% of the collection will be retained in the State of origin and the balance 50% will be credited to the divisible pool to be distributed among the States by the Planning Commission.

(b) In view of the considerable divergence of views regarding the rate of consignment tax, share of proceeds and issues relating to concurrent exemptions, it has not been possible to operationalise the consensus reached with regard to levy of consignment tax.